

Performance Measures and Standards

The North Carolina Community College System has utilized numerous processes over the past three decades to ensure public accountability for state monies spent. These processes have included fiscal audits, program audits, institutional effectiveness plans and program review. Beginning with the 1999-2000 fiscal year, a new system of accountability based on 12 performance measures has been implemented and will become the cornerstone of public accountability.

In February 1999, the North Carolina State Board of Community Colleges adopted 12 performance measures for accountability recommended by the Performance Measures and Standards Task Force chaired by Dr. Willard Lewis, president of Isothermal Community College. After working with the measures for one year and receiving feedback from college personnel, recommendations for changes in the measures were submitted to the Policy Committee of the State Board. These recommendations were accepted and approved by the full State Board in May 2000.

The 12 Performance Measures for the North Carolina Community College System are:

1. Progress of basic skills students
2. Passing rates for licensure and certification examinations
3. Goal completion of program completers
4. Employment status of graduates
5. Performance of college transfer students
6. Passing rates of students in developmental courses
7. Success rate of developmental students in subsequent college-level courses
8. Student satisfaction of program completers and non-completers
9. Curriculum student retention and graduation
10. Employer satisfaction
11. Business/Industry satisfaction with services provided
12. Program enrollment

Performance Funding:

This undertaking was in response to a special provision of the 1998 legislative session (Section 9.2 of S.L. 1999-237).

Section 9.2 of S.L. 1999-237 specified:

Section 9.2.(a) It is the intent of the General Assembly that the the [sic] State Board of Community Colleges implement the findings of the consultant's Phase IV Funding Study Report, prepared by the State Board and submitted to the Education Appropriations Subcommittee, on

performance budgeting; therefore, Chapter 115D of the General Statutes is amended by adding a new section to read:

"§ 115D-31.3. Performance budgeting.

(a) The State Board of Community Colleges shall create new accountability measures and performance standards to be used for performance budgeting for the Community College System. The results of a survey may be used as a performance standard only if the survey is statistically valid. The State Board of Community Colleges shall review annually the accountability measures and performance standards to ensure that they are appropriate for use in performance budgeting.

(b) Notwithstanding any other provision of law, the State Board shall authorize each institution meeting the new performance standards to carryforward funds remaining in its budget at the end of each fiscal year in an amount not to exceed two percent (2%) of the State funds allocated to the institution for that fiscal year. The funds carried forward shall be used for the purchase of equipment and initial program start-up costs excluding regular faculty salaries. These funds shall not be used for continuing salary increases or for other obligations beyond the fiscal year into which they were carried forward. These funds shall be encumbered within 12 months of the fiscal year into which they were carried forward.

(c) The five required performance measures are (i) progress of basic skills students, (ii) passing rate for licensure and certification examinations, (iii) goal completion of program completers, (iv) employment status of graduates, and (v) performance of students who transfer to the university system. Colleges may choose one other performance measure from the list contained in the State Board's Phase 4 Funding Formula Study, which was presented to the Joint Legislative Education Oversight Committee. Successful performance on each of the six performance measures shall allow a college to retain and carry forward up to one-third of one percent (1/3 of 1%) of its final fiscal year General Fund appropriations into the next fiscal year.

(d) Each college shall publish its performance on these six measures in its catalog each year beginning with the 2001 academic year."

Section 9.2.(b) The State Board of Community Colleges shall report to the Joint Legislative Education Oversight Committee and to the Fiscal Research Division prior to March 1, on an annual basis, on the implementation of this provision.

Section 9.2.(c) This section becomes effective July 1, 1999. The State Board of Community Colleges shall authorize institutions meeting the new performance standards to carry forward funds from the 2000-2001 fiscal year to the 2001-2002 fiscal year and at the end of subsequent fiscal years.

In an effort to avoid imposing multiple performance systems on the community colleges and to ensure consistency, the Legislative Study Group worked with the Performance Standards and Measures Task Force in the development of measures and standards. The following requirements for performance funding were adopted by the State Board of Community Colleges in February 1999.

1. The accountability measures and performance standards may use survey data only if the survey is statistically valid. The special provision authorizes the carry forward of a maximum of 2% of the total State aid budget, as defined as State dollars allocated to the 58 community colleges. The funds can only be used for the purchase of equipment and initial program start-up costs, excluding regular faculty salaries. The funds may **not** be used for

continuing salary increases and other obligations beyond the fiscal year (continuing). Another restriction is that funds must be encumbered within twelve months of the fiscal year.

2. The special provision specified the following five required performance measures for use in performance funding:
 - progress of basic skills students
 - passing rate for licensure and certification examinations
 - goal completion of program completers
 - employment status of graduates
 - performance of students who transfer to the university system

The colleges may choose one other performance measure from approved list, excluding the enrollment measure that establishes minimum enrollment for a viable program. For each of the six performance measures, a college shall retain and carry forward 1/3rd of 1% of final General Fund appropriation

3. The special provision requires that each college publish its performance on the six measures in its catalogue beginning with the 2001 academic year. Furthermore, the System Office is required to report annually to Education Oversight Committee and the Legislative Fiscal Research Division prior to March 1.
4. This provision was effective July 1, 1999, and the performance funding is to be implemented in fiscal year 2001-2002, based upon data reported during 2000-2001. The accountability measures and performance standards are to be implemented July 1, 2000.

Discussion of Measures and Standards

1. Progress of Basic Skills Students

Description/definition: Basic skills students include all adult literacy students. The percentage of students who progress is based on three measures: (1) progressing within level, (2) completing the level entered or a predetermined goal, and (3) completing the level entered and advancing to a higher level.

Methodology and data source: The indicator measures the progress of basic skills students through the basic skills program. All of the data on literacy students are entered at the college level. Data on the progression of students through the basic skills programs are collected and analyzed using the Literacy Education Information System (LEIS) at the North Carolina Community Colleges System Office.

Reporting periods/timelines: Data are requested annually on students enrolled in basic skills programs in a community college between the beginning of the summer term and the end of spring semester. Colleges report the status of these students by August 15. The federal report completed by the department is due to Department of Education - Division of Adult Education and Literacy on October 1.

Standard: A fixed standard of 75%

2. Passing Rates for Licensure and Certification

Description/definition: The percentage of first-time test-takers from community college graduates passing an examination required for North Carolina licensure or certification prior to practicing the profession. A licensure requirement for an occupation is one that is required by state statute for an individual to work in that occupation. Certification is generally voluntary but may be required by employers or an outside accrediting agency. Purely voluntary examinations will not be reported.

Methodology and data source: The examination pass rates for each college are reported on a program-by-program basis. The pass rate for a particular college program will be calculated by dividing the number of first-time test-takers passing the examination by the number of first-time test-takers sitting for the examination. Data are collected by the Planning and Research section of the North Carolina Community Colleges System Office from agencies issuing the license or certification. The data are collected and analyzed during the fall and reported in the spring.

Reporting periods/timelines: Participating boards and agencies report data to the System

Office annually and colleges review the data before publication in the Critical Success Factors Report.

Standard: An aggregate institutional passing rate of 80% for all first-time takers of licensure/certification examinations, plus no passing rate falling below 70% for any single examination.

3. Goal Completion of Program Completers

Description/definition: The proportion of graduates of certificate, diploma, and degree programs who report that their primary goal in attending has been met

Methodology and data source: The data are collected by survey, with each college using a standard set of questions. A response rate of 50% is suggested, and a minimum of 15 respondents will be required to report the data at the institutional level. If a 50% response rate is not achieved, a statistically significant (90% confidence interval) sample size will be necessary for the data to be used for performance funding.

Reporting periods/timelines: The data will be collected in February of each year by the Planning and Research section of the North Carolina Community Colleges System Office.

Standard: 95% of program completers will report goal completion.

4. Employment status of Graduates

Description/definition: The proportion of identified community college completers who are employed within one year of last attendance.

Methodology and data sources: With the North Carolina Common Follow-up System (CFS), we are now able to accurately track students' employment status after they leave the colleges. The Common Follow-up System (CFS) is a cooperative venture of the participating state agencies under the auspices of the North Carolina State Occupational Information Coordinating Committee (NC SOICC). The CFS provides a highly efficient and cost effective method for collecting follow-up information for education, employment, and training program participants statewide. The NC SOICC decided that the CFS would be maintained by the Employment Security Commission (ESC).

Each year the agencies involved in the CFS submit unit record data on participants to the ESC. Among the agencies included in this process are the public high schools, community colleges, and the four-year public universities. Each agency's data is matched against the Unemployment Insurance (UI) files and the other participating agencies' files. A database containing information on employment, employer, quarterly wages, receipt of unemployment

benefits, and participation in other agencies. programs is returned to each submitting agency. The database each agency receives is limited to the participants that the agency submits for the data match. This is to say, the database received by community colleges has information only on community college students.

Once the CFS database is received, it is matched against the Curriculum Student Progress Information System (CSPIS) database and the following year curriculum student registration database. This matching is conducted to determine demographic characteristics of the participants, such as students. completion status at the end of the academic year and whether they re-enroll the following year. Students who obtain an associate degree, certificate, or diploma in the year given and do not re-enroll in any of the colleges the following year are defined as .exit completers.. Those who do not obtain an associate degree, certificate, or diploma in the year given and do not re-enroll in any of the colleges the following year are considered as .exit non-completers..

Students who have wages in any quarter during the year are considered employed. Those who are found both in registration records and UI records but have no quarterly wages during the year are considered unemployed.

Standard: 95% will be employed. The percentage will be corrected for the average annual unemployment rate in the service area of each college in the following way: compute the difference between the state.s average annual unemployment rate and that of the service area and divide by 2. This amount will be deducted from (for colleges with unemployment rates **higher** than the state average) or added to (for colleges with unemployment rates **lower** than the state average) the 90%.

5. Performance of College Transfer Students

Description/definition: College transfer programs provide educational experiences that will enable transfer students to make the transition to a baccalaureate program and perform as well as the students who enroll as first-time freshmen at universities. The purpose of this measure is to compare the performance of community college associate degree students who transfer to public North Carolina universities with students native to the four-year institution.

Methodology and data source: The cohorts consist of college transfer students entering the public universities each fall. One cohort analysis compares the performance of college transfer degree recipients at the end of two semesters to the performance of native juniors. The other cohort analysis compares the performance of college transfer students completing at least 24 hours or more but not completing the degree at a community college to the performance of native sophomores. The two cohorts will be combined for this analysis. There must be at least ten students for a community college to have this measure reported for accountability purposes. Performance data on students who transfer to a four-year public institution are provided by the University of North Carolina General Administration and include only those students who

transferred to one of the 16 constituent institutions of the UNC System. No data are available from the private colleges and universities in North Carolina.

Reporting periods/timelines: The UNC System provides data annually, between June and September. The data are published annually in the Critical Success Factors Report.

Standard: The percentage of community college students with a GPA of 2.0 or higher after two semesters at a UNC institution will equal the percentage of native UNC sophomores and juniors with a GPA of 2.0 or higher

6. Passing Rates of Students in Developmental Courses

Description/definition: The developmental course passing rates for all developmental english, mathematics, and reading.

Methodology and data source: The North Carolina Community Colleges System Office has developed a computer program to identify developmental courses, identify students who are enrolled in these courses, and calculate passing rates for these courses. The number and percent of students completing these courses with a grade of "C" or better will be calculated.

Reporting periods/timelines: Annually data from each college will be sent electronically to the System Office and reported in the Critical Success Factors Report.

Standard: 70% passing rate for all developmental courses

7. Success Rate of Developmental Students in Subsequent College-Level Courses

Description/definition: The performance of developmental students in subsequent college level courses will be compared with the performance of non-developmental students in those courses. Specifically, performance of students in English 111 will be used to assess developmental english; performance in the first college-level mathematics course will be used to assess developmental mathematics; and performance in the first social science course after completion of developmental reading will be used to assess developmental reading.

The purpose of this measures is to provide evidence that developmental courses equip students with the skills and knowledge necessary for success in their college studies. Once students have successfully completed the developmental courses, they should be able to pass curriculum courses.

Methodology and data source: A computer program has been developed and is being implemented at the colleges that will identify developmental courses and identify students who are enrolled in these courses. This program will have to be expanded to track cohorts of

developmental students and compare performance with non-developmental students.

Reporting periods/timelines: Annually data from each college will be sent electronically to the department and reported in the Critical Success Factors Report.

Standard: Developmental students will perform as well or better than nondevelopmental students at a statistically significant level.

8. Student Satisfaction of Program Completers and Non-Completers

Description/definition: This indicator reports the proportion of graduates and early-leavers who indicate that the quality of the college programs and services met or exceeded their expectations.

Methodology and data source: The data are collected by survey, with each college using a standard set of questions. A response rate of 50% for completers is suggested, and a minimum of 15 respondents (total) will be required to report the data at the institutional level. No minimum response rate is proposed for non-completers.

Reporting periods/timelines: The data will be collected in February of each year by the Planning and Research section of the North Carolina Community Colleges System Office.

Standard: 90% of the combined respondents will report being satisfied with quality of college's programs and services.

9. Curriculum Student Retention and Graduation

Description/definition: This composite measures consists of:

1. Number completing a curriculum program with a certificate, diploma, or degree
2. Number who have not completed a program but who are continuing enrollment in either curriculum or occupational extension programs

This composite indicator will consist of two measures, each reported separately for each college. The sum of the two will be divided by the total curriculum students in the cohort to compute an indicator of curriculum student progress and success.

Methodology and data source: Cohorts will be defined each fall based upon number of students enrolled in degree granting curriculum programs. The cohort will be tracked from fall to fall to determine those who have graduated and those who have continued to be enrolled. This number divided by the initial cohort is the percentage reported.

Reporting periods/timelines: Initial cohorts will be identified each fall. Graduates of programs will be determined using software developed by the System Office. Student enrollment files as of the census date will be used to determine the number from the cohort who are still enrolled in either a curriculum or occupational extension program.

Standard: 60% of the defined cohort will graduate or be retained.

10. Employer Satisfaction with Graduates

Description/definition: The percentage of a sample of businesses who employ community college students indicating that their expectations of have been met. This measure is intended primarily to determine the satisfaction of organizations whose employees have been trained through a community college.

Methodology and data source: A state level survey will be conducted each year to determine employer satisfaction. Employers will be divided into 3 categories based on historic enrollment of community college students and Standard Industrial Classification (SIC) code. Each category of employers will be survey every 3 years on an alternating basis.

Reporting periods/timelines: The data will be collected in February of each year by the Planning and Research section of the North Carolina Community Colleges System Office.

Standard: 85% of employers report being satisfied with preparation of community college graduates.

11. Business/Industry Satisfaction with Services Provided

Description/definition: The percentage of a sample of businesses/industries who have received services from a community college indicating that their expectations of have been met. This measure is intended primarily to determine the satisfaction of organizations who received services from a community college.

Methodology and data source: A state level survey will be conducted each year to determine business/industry satisfaction. Businesses/industries will be divided into 3 categories based on historic enrollment of community college students and Standard Industrial Classification (SIC) code. Each category of businesses/industries will be survey every 3 years on an alternating basis.

Reporting periods/timelines: The data will be collected in February of each year by the Planning and Research section of the North Carolina Community Colleges System Office.

Standard: 90% will report being satisfied with the services provided by community colleges.

12. Program Enrollment

Description/definition: The annual unduplicated headcount enrollment in a curriculum program.

Methodology and data source: This indicator would measure the number of individuals enrolled in a given curriculum program, with enrollment meaning the student was enrolled as of the census date. The data are available from the colleges..Curriculum Registration File.

Reporting periods/timelines: Curriculum registration data are submitted to the North Carolina Community Colleges System Office by the colleges at the end of each semester. In addition, the annual data are available from the Annual Program Review file submitted by each college in October.

Standard: The current fixed standard of an average of 10 students over a three-year period is recommended. **However, this measure is not recommended for use in performance funding since it is a minimum standard for program viability.**

**PERFORMANCE MEASURES AND STANDARDS
NORTH CAROLINA COMMUNITY COLLEGE SYSTEM**

MEASURE	STANDARD
Progress of Basic Skills Students	75%
Passing Rates on Licensure/ Certification Exams for First-Time Test Takers	Aggregate = 80% Exams = 70%
Goal Completion for Completers	95%
Employment of Graduates	95% (adjusted)
Performance of College Transfer Students	Equivalent to Native UNC Sophomores and Juniors
Passing Rates in Developmental Courses	70%
Success Rate of Developmental Students in Subsequent College Level Courses	Developmental Students Perform as Well as or Better Than Nondevelopmental Students at a Statistically Significant Level
Student Satisfaction of Completers and Non-completers	90%
Curriculum Student Retention & Graduation	60%
Employer Satisfaction with Graduates	85%
Business/Industry Satisfaction with Services Provided	90%
Program Enrollment	No Programs With Three-Year Average Annual Enrollment of less than 10